

STATE OF COLORADO

DEPARTMENT OF LOCAL AFFAIRS DIVISION OF LOCAL GOVERNMENT

Local Government Services
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Bill Owens
Governor

Barbara Kirkmeyer
Acting Executive
Director

To: Municipal and District Applicants
From: Scott Olene, Finance Analyst, Department of Local Affairs
Re: 2006 Application for State Contribution to Volunteer Firefighter Pension Funds
Date: July 31, 2006

The accompanying 2006 Application for State Contribution to Volunteer Firefighter Pension (VFP) Funds reflects legislative changes due to HB06-1304. Due to the changes, please review the instructions carefully when completing the 2006 application to match the local volunteer pension fund contribution made in 2005. Among the several changes due to HB06-1304 are:

- the State is now authorized to make contributions based on the local government's contribution to its volunteer pension fund from all authorized "tax revenues" in addition to property tax mill levies, per CRS 31-30-1110.
- the calculation of the State contribution to eligible governments providing normal monthly benefits greater than \$300 to retired volunteer firefighters will now use the highest state contribution for any one of the years 1998, 1999, 2000 or 2001, per CRS 31-30-1112(2)(b).
- the annual State contribution maximum is now based on the local government's assessed value for the property tax year in which the local tax contribution to the volunteer pension fund was made as defined per CRS 31-30-1102(7.5).
- the minimum State contribution is \$1,000 to those eligible governments contributing at least, rather than equal to, the equivalent of 0.500 mills (one-half mill) of tax revenue to their Volunteer Firefighter Pension Fund, per CRS 31-30-1112(2)(e).

As a result of changes to section CRS 31-30-1112(2)(b), second bullet above, the Department of Local Affairs conducted a review of available information to determine the "2bII" value to be used for the 2006 (and future) calculation of the State contribution for those local governments providing a volunteer firefighter monthly pension benefit of more than \$300. This review included local governments currently providing a monthly benefit less than or equal to \$300 to accommodate the potential for such benefit to increase above \$300. After conducting a review of the relevant audited financial statements and available Fire and Police Pension Association (FPPA) records, it has been determined that the 2bII value is:

Local Government Name

Year of Highest State Contribution (1998 to 2001): **YEAR**

2bII Value: **\$Amount**

If this value is correct, please sign the attached acceptance and certification form and return along with the 2006 Application by September 29, 2006. However, if there is disagreement with this value, immediately return the acceptance and certification form with a written explanation and supporting documentation for an alternate amount. The Department will review and determine the "2bII" value to be used.

If there are any questions, please call 303-866-2156.

**ACCEPTANCE AND CERTIFICATION OF HIGHEST STATE CONTRIBUTION TO THE
VOLUNTEER FIREFIGHTER PENSION FUND FOR THE YEARS 1998, 1999, 2000, OR 2001**

31-30-1112(2)(b)(II), C.R.S.

The **Local Government's** Highest State Contribution for the year 1998, 1999, 2000, or 2001 was in the year **Year** in the amount of **\$Amount**.

☐ **Accepted:** This is to acknowledge acceptance and certification of the above amount to be used, if necessary per CRS 31-30-1112(2)(b)(II), to calculate the State Contribution for the year 2006 and for future years.

I, _____, hereby certify that:
(printed name of local government treasurer or designee)

- (a) The above value is correct to the best of my knowledge;
- (b) The above value will be used to calculate the 2006 and future State Contributions;

SIGNATURE: _____
(local government treasurer or designee)

DATE: _____

PROCEDURAL INSTRUCTIONS: Complete and return signed original with the 2006 Application for State Contribution to Volunteer Firefighter Pension Funds by the September 29, 2006 application deadline.

☐ **Not Accepted:** This is to notify the Department of Local Affairs that the use of the above stated amount to calculate the 2006 and future State Contributions is not accepted. The **Local Government** requests that the alternate amount entered below be used to calculate the 2006 and future State Contributions. Attached are a written explanation and supporting documentation for the use of the alternate value.

Alternate Value \$ _____

PROCEDURAL INSTRUCTIONS: Complete and return signed original immediately to DOLA. The application deadline for the 2006 State Contribution to Volunteer Firefighter Pension Funds is September 29, 2006.

I, _____, hereby certify that:
(printed name of local government treasurer or designee)

- (a) The above alternate value is correct to the best of my knowledge;
- (b) The above alternate value may be used to calculate the 2006 and future State Contributions;

SIGNATURE: _____
(local government treasurer or designee)

DATE: _____

The Department of Local Affairs will verify the alternate value using available information from the Office of the State Auditor, the Fire and Police Pension Association, and the local government's budget as filed with the Division of Local Government.